Page 1 1 STATE OF NEW MEXICO ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT 2 OIL CONSERVATION COMMISSION 3 IN THE MATTER OF THE HEARING CALLED ORIGINAL BY THE OIL CONSERVATION COMMISSION FOR THE PURPOSE OF CONSIDERING: 4 5 APPLICATION OF LIGHTNING DOCK GEOTHERMAL Case No. 15357 HI-01, LLC, FOR APPROVAL TO INJECT INTO A GEOTHERMAL AQUIFER THROUGH THREE PROPOSED 6 GEOTHERMAL INJECTION WELLS AT THE SITE OF 7 THE PROPOSED LIGHTNING DOCK GEOTHERMAL POWER PROJECT, HIDALGO COUNTY, NEW MEXICO. 8 and APPLICATION OF LIGHTNING DOCK GEOTHERMAL 9 HI-01, LLC, TO PLACE WELL NO. 63A-7 ON Case No. 15365 INJECTION-GEOTHERMAL RESOURCES AREA, 10 HIDALGO COUNTY, NEW MEXICO 11 REPORTER'S TRANSCRIPT OF PROCEEDINGS PREHEARING TRANSCRIPT 12 October 7, 2015 13 Santa Fe, New Mexico 14 BEFORE: DAVID R. CATANACH, CHAIRPERSON ROBERT S. BALCH, COMMISSIONER 15 PATRICK PADILLA, COMMISSIONER 16 BILL BRANCARD, ESQ. 17 This matter came on for hearing before the New Mexico Oil Conservation Commission on Thursday, October 7, 2015, at the New Mexico Energy, Minerals, and 18 Natural Resources Department, Wendell Chino Building, 19 1220 South St. Francis Drive, Porter Hall, Room 102, Santa Fe, New Mexico. 20 21 22 ELLEN H. ALLANIC REPORTED BY: NEW MEXICO CCR 100 23 CALIFORNIA CSR 8670 PAUL BACA COURT REPORTERS 24 500 Fourth Street, NW Suite 105 25 Albuquerque, New Mexico 87102

Page 2 INDEX Page Roll Call Motion to Adopt Agenda of Hearing Motion to Approve Minutes of September 10th and 11th Commission Hearing Motion to Adopt Draft Order Re Case 15193 Continuances Called Page Reporter's Certificate Page Reporters Certificate

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Page 3 (Time Noted 1:03 p.m.) 1 COMMISSIONER CATANACH: We will call the 2 3 meeting to order at this time. This is a continuation of a case heard on September 10th and 11th. 4 5 Let me call the roll at this time. My name 6 is David Catanach, and I am chairman of the Oil 7 Conservation Commission and director of the Oil Conservation Division. 8 Commissioners, can you please identify 9 yourselves for the record. 10 11 COMMISSIONER BALCH: Dr. Robert Balch, 12 designated Secretary of Energy and Minerals. 13 COMMISSIONER PADILLA: Patrick Padilla, designated as the New Mexico State Land Commissioner. 14 15 COMMISSIONER CATANACH: Okay. Today is October 7, 2015. And this Commission meeting is 16 in Porter Hall -- I'm sorry. We are in the Wendell 17 18 Chino Building in Porter Hall. 19 Commissioners, have you seen the agenda for 20 today's meeting? 21 COMMISSIONER BALCH: I have. 22 COMMISSIONER PADILLA: I have. 23 COMMISSIONER CATANACH: And do I have a 24 motion to adopt the agenda for today's meeting? 25 COMMISSIONER PADILLA: So moved.

Page 4 1 COMMISSIONER BALCH: Seconded. 2 COMMISSIONER CATANACH: All in favor. 3 COMMISSIONER PADILLA: Aye. 4 COMMISSIONER BALCH: Aye. 5 COMMISSIONER CATANACH: The agenda will be 6 approved. 7 Commissioners, have you had a chance to look at the minutes of the September 10th and 11th Commission 8 meeting? And if you have, do you have any changes or 9 10 suggested changes to that? 11 COMMISSIONER BALCH: I have no changes. 12 COMMISSIONER PADILLA: Nor I. 13 COMMISSIONER CATANACH: Motion to approve 14 the minutes to that meeting. 15 COMMISSIONER PADILLA: So moved. 16 COMMISSIONER BALCH: And seconded. 17 COMMISSIONER CATANACH: All in favor. 18 (In Unison "Aye.) 19 COMMISSIONER CATANACH: Also, at this time, we heard a Frontier case on that docket, case 15193. 20 21 And we have reached a decision and we have a draft order 22 that we need to take care of today. 23 Commissioners, have you reviewed the draft 24 order? 25 COMMISSIONER PADILLA: I have not.

Page 5 COMMISSIONER CATANACH: Do you wish to have 1 2 some time to look it over? 3 COMMISSIONER PADILLA: No, I saw the proposed draft order and that's fine. 4 COMMISSIONER BALCH: I read the draft order 5 6 and I would move to adopt it. 7 COMMISSIONER PADILLA: I would second that. COMMISSIONER CATANACH: Okay. All in favor 8 9 of adopting the draft order say "aye." 10 (In Unison "Aye.") 11 COMMISSIONER CATANACH: Also, on today's docket was a case, De Novo case 15327, which was the 12 13 Application of COG Operating, LLC, for a non-standard 14 spacing and proration unit and compulsory pooling, Lea 15 County, New Mexico. This case has been continued to November 5th, 2015. 16 17 And do we have any other procedural issues before we start this case, Mr. Brancard? 18 MR. BRANCARD: No. 19 20 COMMISSIONER CATANACH: I'm sorry. Mr. Bill 21 Brancard is also present today. I apologize for just 22 now identifying you. 23 24 (Time noted 1:10 p.m.) 25

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1	STATE OF NEW MEXICO)
2) ss.
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7	REPORTER'S CERTIFICATE
8	T FILEN IL ALLANIC New Merrice Dependen CCD
9	I, ELLEN H. ALLANIC, New Mexico Reporter CCR No. 100, DO HEREBY CERTIFY that on Thursday, October 7, 2015, the proceedings in the above-captioned matter were
10	taken before me, that I did report in stenographic shorthand the proceedings set forth herein, and the
11	foregoing pages are a true and correct transcription to the best of my ability and control.
12	
13	I FURBURD CERTER that I am poithor amplound by
14	I FURTHER CERTIFY that I am neither employed by nor related to nor contracted with (unless excepted by
15	the rules) any of the parties or attorneys in this case, and that I have no interest whatsoever in the final disposition of this case in any court.
16	disposition of this case in any coult.
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21	ELLEN H. ALLANIC, CSR NM Certified Court Reporter No. 100 License Expires: 12/31/15
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